

POLICY NUMBER	- 1.20
POLICY SUBJECT	- Performance and Salary Review Policy
DATE ADOPTED	- 27 May 2025 (CMRef:XXXX)
RESPONSIBLE OFFICER	- Chief Executive Officer
REVIEWED	-

Objective

The Shire of Dowerin will review the performance of the Chief Executive Officer (CEO) annually, as required by Section 5.38 of the Local Government Act 1995, if the CEO is employed on a permanent basis.

Scope

This policy outlines the annual CEO performance review process, as required under the Local Government (Administration) Regulations 1996, Schedule 2 – Model Standards for CEO Recruitment, Performance and Termination.

Policy

1. CEO Performance Review Panel

- 1.1 Council will appoint a CEO Performance Review Panel after each local government election.
- 1.2 The Panel will have five members and may include an independent observer.
- 1.3 The Panel is authorised to conduct the CEO review and report its findings to Council.
- 1.4 Key responsibilities include:
 - Creating the initial performance agreement;
 - Conducting the review according to this policy;
 - Reporting results and recommendations to Council;
 - Holding regular meetings if any performance issues arise.
- 1.5 Panel members must:
 - Act fairly and objectively;
 - Base assessments on evidence and agreed criteria;
 - Keep all discussions and documents confidential;
 - Submit reports to Council confidentially (as per section 5.23 of the Act);
 - Keep accurate records following the Shire's recordkeeping policies.
- 1.6 The review process should begin at least two months before it's due.
- 1.7 Administrative support will be provided by the Executive Support Officer and the relevant HR Officer.

2. Independent Consultant

- 2.1 If the Panel lacks capacity or expertise, it may engage an external consultant.
- 2.2 Consultants must have experience in performance reviews and preferably with local governments.
- 2.3 Consultants must have no conflict of interest or personal relationship with the CEO or Council.
- 2.4 Consultants may assist with:
 - Setting performance criteria;
 - Drafting the performance agreement;
 - Gathering evidence;
 - Writing the review report;
 - Facilitating meetings and feedback;
 - Developing improvement plans if needed.
- 2.5 Consultants must be hired in line with the Shire's purchasing policy.

3. Performance Criteria and Agreement

- 3.1 Core performance criteria must be included in the CEO's employment contract.
- 3.2 Additional criteria (e.g., special projects, Council priorities) and development goals may be added to a separate "performance agreement."
- 3.3 Criteria should align with Council's priorities and be SMART (Specific, Measurable, Achievable, Relevant, Time-bound).
- 3.4 The agreement must be negotiated and approved by both the CEO and Council.

4. Performance Review Process

- 4.1 Reviews must be impartial and only based on agreed criteria.
- 4.2 Performance evidence may include:
 - Achievement of key outcomes;
 - Feedback from Council and stakeholders;
 - Reports (e.g., audit, workforce, safety);
 - Survey results or staff retention data.
- 4.3 Reviewers should consider how outcomes were achieved and if performance is sustainable.
- 4.4 Contextual factors (e.g. external challenges like COVID-19) should be fairly considered.

5. Addressing Performance Issues

- 5.1 Any issues must be:
 - Identified clearly;
 - Discussed with the CEO;
 - Addressed with an agreed improvement plan.
- 5.2 The plan should outline actions, responsibilities, and timelines.
- 5.3 Improvement strategies may include training, mentoring, or revised workflows.
- 5.4 Progress should be monitored through regular feedback and check-ins.

6. Endorsement and Notification

After the review, Council must:

- Endorse the results by absolute majority;
- Notify the CEO in writing of the results;
- Explain any performance concerns and the plan to address them.

7. Misconduct

Suspected misconduct or serious misconduct must be reported to the Corruption and Crime Commission (CCC) as per the Corruption, Crime and Misconduct Act 2003.

Contact CCC:

- Email: info@ccc.wa.gov.au
- Phone: 1800 803 186 (Mon–Fri, 9am–4pm)

8. Salary Review

Council must review the CEO's salary at least annually. Salary adjustments must comply with the Salaries and Allowances Tribunal's determined bands for the Shire of Dowerin.

Related Documentation

- DLGSC CEO Recruitment and Review Guidelines (2021)
- CCC Misconduct Reporting Guide (2018)
- CEO's Employment Contract and Position Description
- CEO Performance Agreement and Key Performance Indicators
- Shire's Recordkeeping and Purchasing Policies

Related Legislation/Local Law/Policy/Procedure

- *Local Government Act 1995*
- *Local Government (Administration) Regulations 1996*
- *Corruption, Crime and Misconduct Act 2003*
- *Salaries and Allowances Act 1975*

Related Delegation

Nil

Document Control	
Policy Number	1.20
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Next Review Due	This policy will be reviewed annually or more often where circumstances require.